

AMENDMENT OF SOLICITATION / MODIFICATION OF CONTRACT				1. CONTRACT ID CODE	PAGE OF PAGES		
<i>Initials & Control Number:</i>					1	6	
2. AMENDMENT/MODIFICATION NO. N66604-04-R-0199-0005		3. EFFECTIVE DATE 2004 MAR 22		4. REQUISITION/PURCHASE REQ. NO. N66604-3282-21Q3		5. PROJECT NO. <i>(If applicable)</i>	
6. ISSUED BY CODE Commercial Acquisition Department, Building 11 Naval Undersea Warfare Center Division, Newport Code 591 Simonpietri Drive Newport, RI 02841-1708		7. ADMINISTERED BY <i>(If other than Item 6)</i> CODE					
8. NAME AND ADDRESS OF CONTRACTOR <i>(No., street, county, State and ZIP Code)</i>				(X)	9A. AMENDMENT OF SOLICITATION NO. N66604-04-R-0199		
				X	9B. DATED <i>(SEE ITEM 11)</i> 2004 FEB 17		
					10A. MODIFICATION OF CONTRACT/ORDER NO.		
					10B. DATED <i>(SEE ITEM 13)</i>		
CODE	FACILITY CODE						
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS							
<input checked="" type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of offers <input type="checkbox"/> is extended, <input checked="" type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning 3 copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.							
12. ACCOUNTING AND APPROPRIATION DATA <i>(If required)</i>							
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.							
(X)	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO : <i>(Specify authority)</i> THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.						
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES <i>(such as changes in paying office, appropriation date, etc.)</i> SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).						
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:						
	D. OTHER <i>(Specify type of modification and authority)</i>						
E. IMPORTANT: Contractor <input type="checkbox"/> is not <input type="checkbox"/> is required to sign this document and return 3 copies to the issuing office.							
14. DESCRIPTION OF AMENDMENT/MODIFICATION <i>(Organized by UCF section headings, including solicitation/contract subject matter where feasible.)</i>							
<p>The purpose of this amendment is to provide answers to questions received from industry regarding provisions of the solicitation as well as revise solicitation data.</p> <p>A. Solicitation Revisions:</p> <p>1. N66604-04-R-0199 Amendment 4 contained two scrivener (word processing) errors. In Section A, Items 4 and 5 were repeats of the information/documentation provide in Amendment 3.</p> <p>2. Clause L40 COST PROPOSAL Section (b)(5) is hereby revised to read as follows:</p> <p>Offerors must apply a 3% escalation factor for all contractor proposed costs with the exclusion of material/travel (costs are provided by the government). Indigenous labor/fringe must be escalated at a 2% rate.</p> <p style="text-align: center;">- CONTINUED -</p>							
Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.							
POINT OF CONTACT: Walter T. Oliver Tel: 401-832-1640 Fax: 401-832-4820 E-mail: oliverwt@npt.nuwc.navy.mil							
15A. NAME AND TITLE OF SIGNER <i>(Type or print)</i>				16A. NAME AND TITLE OF CONTRACTING OFFICER <i>(Type or print)</i>			
15B. CONTRACTOR/OFFEROR				15C. DATE SIGNED		16B. UNITED STATES OF AMERICA	
BY _____ <i>(Signature of person authorized to sign)</i>						16C. DATE SIGNED	
				BY _____ <i>(Signature of Contracting Officer)</i>			

3. Clause M32X EVALUATION FOR AWARD – BEST VALUE, section (D) COST the last sentence in the last paragraph is revised to read:

The analysis will cover the costs for the 3-year base period and award terms.

4. Clause C6 GUARD SERVICES is hereby revised to read as follows:

The Contractor's supervisory personnel in charge of guard services, required under this contract, shall be available at all times to receive and implement special instructions from the Contracting Officer and/or the designated Contracting Officer's Representative (COR) and the NUWCDETAUTEC Officer In Charge concerning matters which affect the operation, protection and/or security of assigned areas.

5. Regarding the AUTEK reading room – The hours of operation of the reading room will be from 0800 to 1100 and 1300 to 1600 daily. Vendors are requested to direct any questions to either Walter Oliver (Contracting Officer) at 401 832-1640 or Dennis Perry (Contracting Officer) at 401 832-5775, perrydj@npt.nuwc.navy.mil

6. Written questions regarding this solicitation must be received by 1200 noon, Eastern Standard Time on 30 March 2004.

7. Potential offeror's are reminded that a Pre-Solicitation briefing will be held at the Naval Undersea Warfare Center Division, Newport (NUWC DIVNPT) on 30 March 2004. The briefing will start at 9AM and will conclude not later than 12 noon. Directions to NUWC DIVNPT are located at : <http://www.npt.nuwc.navy.mil/>. Individuals interested in attending must comply with the below listed visitor request information.

PLEASE NOTE – the blocks for (8) Technical Point of Contact, (9) Specific Date of Visit, (10) Specific Purpose of Visit and (11) Contract number have been filled in providing the correct data for the visit request.

FAX on Company Letterhead to the NUWC Security Division, Attention: Visitor Control
Fax number 401-832-4396

A Visit Authorization Request is mandatory for all visitors, regardless of duration or classification of the visit. Access to NUWC Division Newport will not be granted *under any circumstances* without a valid Visit Authorization Request on file.

- 1 Visitor Full Name (Last, First, MI) Do not use nicknames
- 2 Company or Organization Name (include complete address, phone number, and FAX number)
- 3 Social Security Number (Protected by the Privacy Act of 1974)
- 4 Date of Birth
- 5 Place of Birth (city/state)
- 6 Citizenship (include naturalization number and date of naturalization for naturalized US Citizens born outside the United States)
- 7 Level of Clearance (Unclassified, Confidential, Secret, Top Secret)
- 8 Technical Point of Contact (POC) at NUWC DIVNPT : Walter T. Oliver at X21640
- 9 Specific Date(s) of Visit : March 30, 2004
- 10 Specific Purpose of Visit : to attend an Pre-Proposal Briefing
the briefing is UNCLASSIFIED
- 11 Contract number : N66604-04-R-0199
- 12 Name, Title, and Signature of Company/Command Authorizing Official

Visit Authorization Requests must be received at least three (3) business days before the visit to avoid delays upon check-in.

NUWC DIVNPT's Security Office can be contacted at: (401) 832-2551 or DSN 920-2551

B. Industry Questions and Government Answers:

1. The Government requires that ARA must fund itself with profits generated through the operation of the facility. In answers to previously submitted questions on the DRFP (Attachment 21, question 35), the Government indicated that “Any and all ARA costs that may be incurred by the contractor are not an allowable charge against the contract.” However, the requirements for ARA support are included in the SOW paragraphs 3.6.2.35, 3.6.2.36, and 3.6.2.37. By including them in the SOW the Government would seem to indicate that this support should be priced as part of the proposed cost. Would the Government please clarify whether the costs of providing ARA support per the SOW should be included in the offeror’s Cost Proposal?

Costs associated with providing to the Government a monthly ARA accounting report should be included.

Occasionally, ARA provides range customer support for functions that are charged to a work order number under which the Government will reimburse the contractor.

2. A large number of questions on the draft RFP were addressed in Amendments 4 and 5 to that document. Do the responses to those questions remain in force relative to the final RFP?

The draft RFP was a preliminary version of the final RFP recently released. The draft RFP was provided in order to obtain comments and suggestions from industry before actually soliciting proposals under the final RFP. These comments and suggestions may have resulted in clarifications or changes which have been incorporated into and relate to the formal RFP. If there are any areas in the final solicitation that vendors are not sure of, they should submit questions to address their concerns.

3. SOW, Appendix 1.3, Attachment 2. We were unable to find any pages beyond 24 of 53 in this document. Was that intentional, or are there missing pages in the Attachment? If pages are missing, does the Government intend to provide these and when?

The correct number of pages is 24. The reference to Attachment #2 is also deleted.

4. Has the AUTECH Specification included on the NUWC web site containing draft material been updated, and does it remain as a guidance document in the final RFP?

The AUTECH Specification provided in the final RFP prevails.

5. Given the continuing prudent AUTECH budget stewardship being exercised by the Government, we suggest the Government make public to all offerors, its expected budget for the AUTECH contract. This would give all offerors a better understanding of the Government’s expectations.

The Government will not release the AUTECH budget.

6. Section L40, paragraph (b)(2) states in part “... to assist vendors in the preparation of their cost proposals, the Government is furnishing pay and benefits data for Fair Labor Standards Act, nonexempt, incumbent contractor personnel located in the United States. The data is provided as Attachment 18 to this solicitation. Proposals offering pay rates and benefit rates less than those provided in Attachment 18 must explain how staffing levels will be achieved utilizing the lower rates.”

We are unable to obtain information other than pay rates from Attachment 18. Will the government be providing additional information as to required benefit levels in addition to the wage data provided in Attachment 18?

The following Fringe Benefit information is hereby provided:

HEALTH & WELFARE: Life, accident and health insurance plans, sick leave, pension plans, civic and personal leave, severance pay, and savings and thrift plans. Minimum employer contributions costing an average of \$2.56 per hour computed on the basis of all hours worked by service employees employed on the contract.

VACATION: 2 weeks paid vacation after 1 year of service with a contractor or successor, 3 weeks after 8 years, 4 weeks after 15 years. Length of service includes the whole span of continuous service with the present contractor or successor, wherever employed, and with the predecessor contractors in the performance of similar work at the same federal facility.

HOLIDAYS: A minimum of 10 period holidays per year: New Years Day, Martin Luther King Jr’s Birthday, Washington’s Birthday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veteran’s Day, Thanksgiving Day, and Christmas Day. A contractor may substitute for any of the named holidays another day off with pay in accordance with a plan communicated to the employees.

7. Section L40, paragraph (b) (3) states in part “... Proposals offering pay and benefit rates less than those provided in Attachment 11 must explain how staffing levels will be achieved utilizing the lower rates... To assist vendors in the preparation of their cost proposals, the Government is furnishing pay and benefits data for indigenous, incumbent contractor personnel located on Andros Island, Commonwealth of the Bahamas. The data is provided as Attachments 16 and 17, to this solicitation.”

We are unable to obtain information other than pay rates from Attachments 16 and 17. Will the government be providing additional information as to required benefit levels in addition to the wage data provided?

The following Fringe Benefit information is hereby provided:

Bahamian Fringe Benefit Data	2004
Vacation Pay Provision	12.44%
Holiday Pay Provision	4.10%
Bahamian Life Insurance	3.71%
Bahamian National Insurance	6.11%
Total	26.36%

8. Performance Work Statement, Attachment 2, Page 116, Section 3.6.2.4, "The Contractor shall collect rent for both Government and Contractor permanent housing at the rates established by the Government." Question: During the site visit to Andros Island, reference was made to permanent housing being provided by the Government for both Navy and Contractor personnel. No mention was made regarding payment, or leasing, these permanent party housing units. If there is a charge for these housing units (the 45 units for unaccompanied Government personnel, the 355 units for unaccompanied Contractor personnel, or the 62 "family trailers" for accompanied Government and Contractor personnel), could you please advise us of the current charges/rates?

The contract supplies introductory housing, nominally 1 room efficiencies, free of charge. As internal priorities allow, the Contractor can upgrade employees to larger quarters. These quarters have a nominal rent associated with their care and maintenance. Typical rents are provided in APP 2-46G.

An excerpt of APP 2-46G, Page 6, is provided below.

C. Housing Fees

1. Charges per individual for transient housing are as directed by NUWCDETAUTEC.

2. Charges for CEQA (Contractor Employee Quarters Apartments) and CFQ (Contractor preferred Quarters) units are established by NUWCDETAUTEC, and all payments are directly reimbursed to the Government. Rates effective 1 April 1997 are:

- One bedroom duplex apartment units \$110/mo
- Two bedroom standard units \$150/mo
- Three bedroom standard units \$165/mo
- Two bedroom expanded units \$225/mo
- Three bedroom expanded units \$265/mo

3. There are no charges for permanent employees (Military, civilians, and contractor) assigned to other housing units.

9. Section L17 requires "All offerors, other than the incumbent..." to submit a proposal for phase-in. Section M32X, paragraph (D) indicates the Government cost analysis will include the transition/phase-in period. This would seem to give the incumbent contractor an unfair advantage in that the incumbent contractor is not required to propose phase-in.

Clause M32X EVALUATION FOR AWARD – BEST VALUE has been revised to eliminate the evaluation of the (from paragraph (D)) "price transition/phase-in period". Please refer to section A, Item 2 of this amendment.

10. Section F2 and Section B52X show the period of performance for CLINs 0001, 0002, and 0005 or 0003, 0004, and 0005 as 1 Apr 2005 - 31 Mar 2008. Section L17 requires "All offerors, other than the incumbent..." to submit a proposal for a transition period not to exceed 90 days which will be complete prior to the first performance period listed in Section F2. Section B does not include a CLIN for Transition/Phase-In and the answer to question #23 in RFP Amendment 0001 states the Government will not have a separate CLIN for Transition/Phase-In.

Is it the Government's intent that Transition/Phase-In costs, for all offerors, other than the incumbent, to be included in the role-up of costs for the target cost for CLIN 0001 or CLIN 0002?

How an offeror proposes to account for costs they may incur during the transition/phase-in period will be determined by each contractor's approved accounting system.

Is it the Government's intent that Transition/Phase-In costs, for all offerors, other than the incumbent, be proposed as additional costs, over and above the target cost for CLIN 0001 or CLIN0002 and be separately identified within the offeror's Volume III - Cost?

No.

Is it the government's intent that all offerors, other than the incumbent, submit completely separate proposals for Transition/Phase-In? If so, would this proposal include just the cost for Transition/Phase-In or would it also include the portions of the Volume II - Technical which would cover Transition/Phase-In?

Transition/phase-in plan (if required) is part of Volume II, Technical Proposal. The transition/phase-in plan is exempt from the technical proposal page count.

11. Section L15 lists the estimated purchase price of the aircraft and facilities which the winning offeror is directed to purchase from the current incumbent contractor under sections H19 and H20. The answer to Question #1 in RFP Amendment 0001 provides additional detail concerning these assets, the depreciation schedules being used, and the book value at the start of the new contract.

a. The book value at the start of the new contract shown in Question #1 seem to be different from the values stated in Section L15 for Air Operations facility and the helicopters. Please clarify which amounts should be used.

b. Please clarify which fixed wing and which rotary wing aircraft (we suggest using the tail number or N number) is being referred to as Plane 1, Plane 2, Helo 1 and Helo 2 in the answer to Question #1 in RFP Amendment 0001.

There was an error in the book value provided in amendment 1 for the second helo listed. As a result the corrected data with tail numbers is as follows:

Plane 1, N45AR – acquired Aug, 1992 for \$4,754,774.74
Residual value = \$1,485,867.11
Depreciated over 240 months
Book at start of new Contract = \$2,704,764.69
Yearly depreciation = \$164,345.74

Plane 2, N46AR – acquired Aug, 1992 for \$4,728,712.61
Residual value = \$1,477,722.69
Depreciated over 240 months
Book at start of new Contract = \$2,710,389.70
Yearly depreciation = \$162,549.50

HELO 1, N232NC – acquired June, 1994 for \$2,830,000
Residual value = \$727,679.75
Depreciation over 144 months
Book at start of new Contract = \$940,433.33
Monthly Depreciation = \$15,196.68
Scheduled last date of Depreciation = May, 2006

HELO 2, N138AR – acquired January, 1995 for \$2,590,000
Residual value = \$647,500.00
Depreciation over 144 months
Book at start of new Contract = \$930,781.25
Monthly Depreciation = \$ 13,489.58

Scheduled last date of Depreciation = December, 2006
Terminal – acquired December, 1995 for \$1,100,176.80
Residual value = \$0.00
Depreciation over 168 months
Book at start of new Contract = \$454,928.70
Monthly Depreciation = \$ 6,690.13
Scheduled last date of Depreciation = November, 2010

c. Is it the government's intent for all offerors to use the yearly/monthly depreciation amounts and schedules, including the stated acquisition and residual values, as given in the answer to Question #1 in RFP Amendment 0001?

Offerors should use the above stated information.

d. Will the Government allow the purchase price of the assets to be adjusted for transaction/closing costs?

No.

12. Is the Government's expectation for the operational life of the aircraft the same as the length of depreciation provided in the answer to Question #1 in RFP Amendment 0001?

Vendor's will have to make their own determination as to whether or not the operational life of the aircraft will equal the depreciation schedule.